

MINUTES

MONTANA SENATE 58th LEGISLATURE - REGULAR SESSION

COMMITTEE ON TAXATION

Call to Order: By **CHAIRMAN BOB DEPRATU**, on February 14, 2003 at 8 A.M., in Room 405 Capitol.

ROLL CALL

Members Present:

Sen. Bob DePratu, Chairman (R)
Sen. Bob Story Jr., Vice Chairman (R)
Sen. Jerry W. Black (R)
Sen. John C. Bohlinger (R)
Sen. Jon Ellingson (D)
Sen. Bill Glaser (R)
Sen. Dan Harrington (D)
Sen. Walter McNutt (R)
Sen. Mike Taylor (R)
Sen. Ken Toole (D)

Members Excused: Sen. Jim Elliott (D)

Members Absent: None.

Staff Present: Lee Heiman, Legislative Branch
Shirley Herrin, Committee Secretary

Video-taped Committee: These minutes are in outline form only. They provide a list of participants and a record of official action taken by the committee. A video-taped recording of the meeting is available from the Montana Historical Society.

Committee Business Summary:

Hearing & Date Posted: HB 406, 2/10/2003; SB 351,
2/11/2003; SB 332, 2/10/2003
Executive Action: HB 406

HEARING ON HB 406

Opening Statement by Sponsor:

8:06 REP. KARL WAITSCHIES, HD 96, Peerless "Exception for timely deposit for Department of Revenue".

Proponents' Testimony:

8:08 Neil Peterson, Department of Revenue EXHIBIT(tas33a01)
EXHIBIT(tas33a02) EXHIBIT(tas33a03)

Opponents' Testimony: None

Questions from Committee Members and Responses: None

Closing by Sponsor:

8:10 REP. WAITSCHIES closed on HB 406.

HEARING ON SB 351

Opening Statement by Sponsor:

8:11 SEN. JOHN COBB, SD 25, Augusta "Increase cigarette tax to fund social services". EXHIBIT(tas33a04)

Proponents' Testimony:

8:32 REP. CAROL JUNEAU, HD 85, Browning
8:35 Wally Melcher, MAIDS-SA/MAR EXHIBIT(tas33a05)
8:39 Dr. Richard Sargent, Self EXHIBIT(tas33a06)
EXHIBIT(tas33a07)
8:42 Erin McGowan, Protect MT Kids
8:44 Chris Christian, American Heart Assoc. & American Lung
Assoc. EXHIBIT(tas33a08) EXHIBIT(tas33a09)
8:46 Chris Volinkaty, Kids & Families with Developmental
Disabilities
8:48 Kathy McGowan, MCCMHC
8:50 Mary McCue, MT Dental Assoc.
8:53 Steve Yeakel, MT Council for Maternity & Child Health
8:55 Mike Foster, 3 hospitals - St Vincent-Billings; Holy
Rosary-Miles City; St James-Butte
8:57 June Hermanson, People with Disabilities
EXHIBIT(tas33a10)
Verner Bertelsen, MT Senior Citizens Assoc.
Betty Whiting, MT Assoc. of Churches
8:58 Terry Minow, MEA/MFT
8:59 Beta Lovitt, Physicians members - also submitted
testimony from Sami Butler, RN, representing the MT
Nurses Assoc. EXHIBIT(tas33a11)
8:59 Judy Smith, MT Fair Share EXHIBIT(tas33a12)

Gene Fenderson, MT Progressive Labor Caucus
Don Judge, **EXHIBIT(tas33a13)**

Opponents' Testimony:

9:00 Jerome Anderson, R J Reynolds Tobacco Company
EXHIBIT(tas33a14)
9:03 Aimee Grmoljez, Philip Morris
9:06 Bob Pavlovich, North Atlantic Trading Company

Questions from Committee Members and Responses:

9:08 Begin
9:33 SEN.STORY questioned Lee Baerlocher, Dept of Revenue
9:44 Ended
36 min Time elapsed

Closing by Sponsor:

SEN. COBB closed on SB 351.
9:44 **CHAIRMAN DE PRATU** called for a short recess

9:51 The meeting was re-convened. **CHAIRMAN DE PRATU**
announced he would like to take the following bills;
SB 11 **SEN. DAN HARRINGTON**, Sponsor
SB 289 **SEN. JON ELLINGSON**, Sponsor
SB 309 **SEN. JOHN BOHLINGER**, Sponsor
SB 353 **SEN. JOHN BOHLINGER**, Sponsor
SB 351 **SEN. JOHN COBB**, Sponsor, and place them into
a Sub-Committee with the members being;
SEN. MIKE TAYLOR, SEN. JERRY BLACK and SEN.
KEN TOOLE

HEARING ON SB 332

Opening Statement by Sponsor:

9:54 **SEN. KEN TOOLE, SD 27, Helena** "Progressive gross
receipts tax on retail sales".

Proponents' Testimony:

9:57 Gene Fenderson, MT Progressive Labor Caucus
EXHIBIT(tas33a15)
10:06 Sharon Quisenberry, Dean of College of Agriculture and
Director of the Montana Agricultural Experiment Station
at MSU, **EXHIBIT(tas33a16)**
10:08 Susan Kidd, Self. She also submitted testimony for Jan
and DiDi Peccia **EXHIBIT(tas33a17)**
10:09 Judy Smith, MT Fair Share **EXHIBIT(tas33a18)**

10:11 Marie Ellingson, Self
 10:15 Mary Caferro, WEEL
 10:18 Ann Hemen, Self
 10:23 Bob Holmes, Self - he submitted testimony from Leland
 Smith, Smitty's of Helena **EXHIBIT(tas33a19)**
 10:26 Jody Medlar read testimony from Helen Christenson, owner
 of Ryan and Maclean Tea Room, Helena
 10:29 Frank Cardiello, CNS APRN, Helena
 10:31 Nicolai Cocercine, UFIW Local #4 **EXHIBIT(tas33a20)**
 10:33 Tim Davis MT Smart Growth Coalition **EXHIBIT(tas33a21)**
 Terry Minow, MEA/MFT
 10:34 Beth Satre read a letter from Billie Shepard, Pan
 Handler Plus, **EXHIBIT(tas33a22)** and also submitted
 testimony from an anonymous rural grocer
EXHIBIT(tas33a23)
 10:34 Don Judge, Teamsters Local 190 **EXHIBIT(tas33a24)**
 10:35 Paul Haber, University of MT

Opponents' Testimony:

10:35 Brad Griffin, MT Retail Assoc.
 10:37 Jerry Driscoll, AFL/CIO
 10:39 Jim Mockler, MT Coal Council
 10:40 Mary Whittinghill, MT Taxpayers Assoc. also stated Webb
 Brown, MT Chamber of Commerce was in opposition.
 10:42 Carl Schweitzer, Bozeman Chamber of Commerce
 10:43 Bill Stephens, MT Food Distribution Assoc.
 10:44 Truman Wood, JC Penney, also representing the MT
 Retailers Assoc.

Questions from Committee Members and Responses:

10:47 Begin
 11:00 **SEN. TAYLOR** questioned Don Hoffman, Dept of Revenue
 11:04 Ended
 17 min Time elapsed

Closing by Sponsor:

11:04 **SEN. TOOLE** closed on SB 332.

EXECUTIVE ACTION ON HB 406

Motion/Vote: **SEN. TOOLE** moved that **HB 406 BE CONCURRED IN.**
Motion carried 8-0 with **ELLINGSON** voting by proxy.

ADJOURNMENT

Adjournment: 11:08 A.M.

SEN. BOB DEPRATU, Chairman

SHIRLEY HERRIN, Secretary

BD/SH

EXHIBIT (tas33aad)